

CREATIVE SENSOR INC.
Income Statements
From January 1 to December 31, 2008 and 2007

	NTD THOUSANDS	
	2008	2007
<i>OPERATING REVENUES:</i>		
<i>Sales revenue</i>	4,785,722	5,935,934
<i>Sales return</i>	83,128	92,398
<i>Sales discounts and allowances</i>	1,079	477
<i>Net Sales</i>	4,701,515	5,843,059
<i>OPERATING COSTS</i>		
<i>Cost of Goods Sold</i>	4,491,912	5,356,692
<i>GROSS MARGIN</i>	209,603	486,367
<i>OPERATING EXPENSES</i>		
<i>Selling expenses</i>	45,599	39,879
<i>General and administrative expenses</i>	70,620	61,847
<i>R&D expenses</i>	99,010	92,256
<i>Total Operating Expenses</i>	215,229	193,982
<i>OPERATING INCOME</i>	(5,626)	292,385
<i>Interest revenue</i>	10,097	17,463
<i>Gain on valuation of financial asset</i>	6,836	0
<i>Investment income recognized under equity method</i>	38,908	267,630
<i>Foreign exchange gain</i>	2,078	499
<i>Gain from Price recovery of inventory</i>	0	1,962
<i>Other non-operating revenue-other items</i>	60,670	22,278
<i>NON-OPERATING INCOME</i>	118,589	309,832
<i>Interest expense</i>	11,691	12,188
<i>Loss on valuation of financial asset</i>	0	1,157
<i>Impairment loss</i>	40,661	18,173
<i>Other non-operating expenses-other</i>	107,668	3,724
<i>NON-OPERATING EXPENSES</i>	160,020	35,242
<i>CONTINUING OPERATING INCOME BEFORE TAX</i>	(47,057)	566,975
<i>INCOME TAX EXPENSES(OR BENEFIT)</i>	(57,195)	87,288
<i>CUMULATIVE EFFECT OF CHANGES IN ACCOUNTING PRINCIPLES</i>	0	0
<i>NET INCOME</i>	10,138	479,687

CREATIVE SENSOR INC.

Balance sheets

At the Year End of December 31, 2008 and 2007

NTD THOUSANDS

	<u>2008</u>	<u>2007</u>		<u>2008</u>	<u>2007</u>
ASSETS			LIABILITIES AND OWNER'S EQUITY		
<i>CURRENT ASSETS</i>			<i>CURRENT LIABILITIES</i>		
Cash and cash equivalents	203,271	651,051	Accounts payable	54,451	325,994
Financial assets at fair value through income statement	385,376	650,029	Accounts payable-related parties	692,956	973,708
Accounts receivable	857,394	1,262,327	Income tax payable	1,104	6,932
Other receivable-related parties	72,631	157,331	Accrued expenses	151,478	181,326
Other financial assets-current	6,161	71,459	Other current liabilities	31,067	10,743
Inventories	1,152	122,894	Total Current Liabilities	<u>931,056</u>	<u>1,498,703</u>
Other current assets	4,912	8,544	<i>LONG-TERM LIABILITIES</i>		
Total Current Assets	<u>1,530,897</u>	<u>2,923,635</u>	Corporate bonds payable	-	20,000
<i>FUNDS AND LONG-TERM INVESTMENTS</i>			<i>OTHER LIABILITIES</i>		
Financial assets in available-for-sale -noncurrent	43,917	13,317	Accrued pension liabilities	1,087	3,439
Financial assets at cost-noncurrent	3,590	44,251	Deferred income tax liabilities	10,170	66,908
Long-term investments at equity	2,099,142	1,600,527	Total Liabilities	<u>942,313</u>	<u>1,589,050</u>
Total Funds and Long-term Investments	<u>2,146,649</u>	<u>1,658,095</u>	<i>OWNER'S EQUITY</i>		
<i>PROPERTY, PLANT AND EQUIPMENT</i>			Capital		
Machinery and equipment	186,962	247,092	Capital-common stock	1,300,000	1,266,820
Office equipment	29,161	23,922	Additional Paid-in Capital		
Leasehold improvements	29,595	29,285	Capital Surplus-Additional paid-In Capital-Common Stock	537,462	537,462
Other facilities	5,655	4,394	Capital Surplus-Additional Paid-In Capital-Bond Conversion	134,926	134,926
Accumulated depreciation	(184,619)	(234,098)	Treasury Stock Transacion	877	877
Prepayment for equipment	696	150	Retained Earnings		
Net Property, Plant & Equipment	<u>67,450</u>	<u>70,745</u>	Legal reserve	244,842	196,873
<i>OTHER ASSETS</i>			Special reserve	39,847	39,847
Refundable deposit	2,620	2,381	Retained earnings-unappropriated	346,909	791,539
Deferred assets	6,293	5,735	Equity Adjustments		
Other assets-other	358	750	Unrealized gain or loss on financial instruments	(9,911)	5,935
Total Other Assets	<u>9,271</u>	<u>8,866</u>	Cumulative translation adjustment	243,883	98,012
TOTAL ASSETS	<u><u>3,754,267</u></u>	<u><u>4,661,341</u></u>	Treasury Stock	(26,881)	0
			Total Owner's Equity	<u>2,811,954</u>	<u>3,072,291</u>
			TOTAL LIABILITIES AND OWNER'S EQUITY	<u><u>3,754,267</u></u>	<u><u>4,661,341</u></u>